



ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
2/1/2023 7:30 PM
Conducted by Remote Participation - Zoom Meeting

ATTENDEES

Remy	P	White	P	Griffin	P	Bliss	P
Blundell	P	Younkin	P	Harmer	P	Tosti	P
Susse	P	Lobel	P	LaCourt	P	Deshler	P
Migliazzo	P	Gibian	P	Jones	P	Carman	P
Beck	A	Foskett	P	Heigham	P	McKenna	P
						Bradley	P

P indicates Present; L indicates late; A indicates Absent

Visitors: Sean Keane (ACMI), Sandy Pooler (Town Manager), Ida Cody (Town Comptroller), Gordon Jamison (resident)

INTRODUCTION

1. Deshler read the rules for the meeting as formulated by Town Counsel based on the Governor's authorization. An important rule is that all votes, unless unanimous, must be by roll call. Attendance was taken by roll call. A vote of "unanimous" means "unanimous vote by all present". The Chair votes only when there is a tie.

PRESENTATIONS

1. Town Manager Sandy Pooler reviewed the FY2024 budget and provided an overview of municipal budgeting. Pooler covered the Operating Budget/General Fund (Long Range Plan, Major Changes, Minor Changes and FTEs), the Operating Budget/Enterprise Funds, Capital Planning Budget and Ongoing Issues.
 - a. The plan is to use \$3.8 million from the Override Stabilization Fund in FY24
 - b. FY2024 is the first year that the town's budget is over \$200 million
 - c. There is a projected \$2.6 million deficit in FY2025
 - d. Trash & Recycling: the town could consider purchasing toters for residents so trash can be picked up with a mechanical arm as a cost saving measure

BUDGETS, ARTICLES & ITEMS

1. Finance Committee Budget
 - a. The re-vote will be postponed to Monday, 2/6 pending additional detail on Otherwise Unclassified spending

- b. Postpone vote: the re-vote postponement was accepted with 13 members voting yes and five members voting no (Younkin, Griffin, Harmer, LaCourt and Jones)
- 2. Zoning Board of Appeals
 - a. The Principal Clerk & Typist position's Step changed from Step 3 to Step 6 because an internal candidate transferred from the School Department
 - b. The vote to approve the Zoning Board of Appeals budget in the amount of \$73,910.00 passed unanimously
- 3. Summary

Budget Name	Amount	Status
Finance Committee	\$11,848.00	Outstanding
Zoning Board of Appeals	\$73,910.00	Approved

MINUTES

- 1. Meeting minutes from 1/30/2023 as revised were approved unanimously

CONCLUSION

The meeting adjourned at 9:28 pm.

The next meeting is Monday, February 6, 2023.

Tara Bradley
2/2/2023

Reference 1: Town Manager FY2024 Presentation

TOWN OF ARLINGTON FY24 BUDGET

Sandy Pooler, Town Manager

Presentation to Finance Committee 2/1/23

AGENDA

- Operating Budget/General Fund
 - Long Range Plan – what we know and what we do not know
 - Major Changes
 - Minor Changes
 - FTEs
- Operating Budget/Enterprise Funds
- Capital
- Ongoing Issues

	FY 2023	FY 2024	Dollar Change	Percent Change	FY 2025	FY 2026	FY 2027	FY 2028
I REVENUE								
A. State Aid	25,221,523	25,961,972	740,449	2.94%	26,216,193	26,472,956	26,732,287	26,994,211
School Construction Aid	5,000,000	5,000,000	0	0.00%	0	0	0	0
B. Local Receipts	9,225,900	9,685,994	460,094	4.99%	9,810,994	9,910,994	10,010,994	10,110,995
C. Free Cash	5,539,215	7,956,044	2,416,829	43.63%	5,107,562	5,107,562	5,107,562	5,107,562
D. Overlay Reserve Surplus	650,000	500,000	(150,000)	-23.08%	400,000	200,000	200,000	200,000
E. Property Tax	149,169,849	153,321,408	4,151,559	2.78%	157,399,009	161,548,994	165,611,321	169,875,113
F. Override Stabilization Fund	2,946,037	3,828,088	882,051	29.94%	12,847,342	0	0	0
TOTAL REVENUES	197,752,524	206,253,506	8,500,982	4.30%	211,781,100	203,240,506	207,662,164	212,287,881
II APPROPRIATIONS								
A. One Time COVID impact	970,000	600,000	(370,000)	-38.14%	300,000			
School Additions	1,030,000	0	(1,030,000)					
General Education Costs	55,724,058	57,312,461	1,588,403	2.85%	60,316,257	62,815,383	64,930,766	67,046,272
Special Education Costs	28,103,511	30,070,757	1,967,246	7.00%	32,175,710	34,428,010	36,837,971	39,416,629
Growth Factor	(1,379,700)	964,116	2,343,816	-	374,934	(80,343)	(151,759)	(401,715)
Net School Budget	84,447,869	88,947,334	4,499,465	5.33%	93,166,901	97,163,050	101,616,978	106,061,186
Minuteman Operating & Capital	6,208,487	7,120,896	912,409	14.70%	7,370,127	7,628,081	7,895,064	8,171,391
Minuteman Exempt Capital	1,739,452	1,820,001	80,549	4.63%	1,820,001	1,820,001	1,820,001	1,820,001
Town Personnel	31,337,702	32,409,770	1,072,068	3.42%	33,463,088	34,550,638	35,673,534	36,832,924
Town Expenses	11,839,451	12,222,158	382,707	3.23%	12,619,378	13,029,508	13,452,967	13,890,188
Less Offsets:	(3,200,418)	(3,257,455)	(57,037)	1.78%	(3,363,322)	(3,472,630)	(3,585,490)	(3,702,018)
Net Town Budget	39,976,735	41,374,473	1,397,738	3.50%	42,719,144	44,107,516	45,541,011	47,021,094
MWRA Debt Shift	0	0	0	0.00%	0	0	0	0
B. Capital budget								
Exempt Debt Service	12,129,702	12,028,956	(100,746)	-0.83%	11,917,651	11,824,004	11,586,563	11,494,904
Non-Exempt Service	7,071,174	7,154,944	83,770	1.18%	6,623,138	6,354,779	5,918,157	5,707,966
Cash	3,426,277	3,933,856	507,579	14.81%	4,264,027	4,032,788	4,197,830	4,319,958
Offets/Capital Carry Forward	(677,260)	(736,989)	(59,729)	8.82%	(238,298)	(214,974)	(193,768)	(192,768)
Total Capital	21,949,893	22,380,767	430,874	1.96%	22,566,518	21,996,597	21,508,782	21,330,060
C. Pensions	13,367,833	14,133,735	765,902	5.73%	14,911,090	15,731,200	16,596,416	17,509,219
D. Insurance	21,772,313	22,633,072	860,759	3.95%	23,902,992	25,139,838	26,424,477	27,715,609
E. State Assessments	3,911,830	4,007,101	95,271	2.44%	4,104,754	4,204,849	4,307,445	4,412,607
G. Overlay Reserve	1,314,746	600,000	(714,746)	-54.36%	600,000	600,000	600,000	600,000
H. Reserve Fund	1,753,178	1,900,782	147,604	8.42%	1,870,161	1,914,165	1,960,756	2,007,930
I. Crt Jdgmnts/Deficit/	0	100,000	100,000	-	100,000	100,000	100,000	100,000
J. Warrant Articles	1,310,188	1,235,345	(74,843)	-5.71%	1,285,345	1,235,345	1,285,345	1,235,345
K. Override Stabilization Fund	0	0	0	-	0	0	0	0
L TOTAL APPROPRIATIONS	197,752,524	206,253,506	8,500,982	4.30%	214,417,033	221,640,642	229,656,275	237,984,442
BALANCE	0	0			(2,635,933)	(18,400,136)	(21,994,111)	(25,696,561)

LRP KNOWS AND UNKNOWNNS

- Known

- Town budget - 3.5%
- School budget - 5.3%
- Capital Spending - 5% of total
- Pension Assessment - 5.7%
- ARPA Funds - \$357,092 for positions

- Unknow/Uncertain

- Minuteman - \$992,958 or 12.5%
- Health Insurance – 3.95%
- State Aid – 2.94%
- State Assessments – 2.44%
- Offsets – 1.78%

ALTERNATIVE SCENARIO - NO OVERRIDE FOR FY25

	FY23	FY24	FY25	FY26	FY27	FY28
Revenue	197,752,524	206,253,646	214,434,944	205,062,366	209,481,995	214,129,948
Expenses	197,752,524	206,253,646	214,434,944	221,658,777	229,674,638	238,003,036
Balance: Surplus or (Deficit)	0	0	0	(16,596,411)	(20,192,643)	(23,873,088)
Stabilization Fund Balance	16,675,430	13,748,830	23,949	0	0	0
Stabilization Fund (Use) or Deposit	(2,946,037)	(2,926,600)	(13,724,881)	0	0	0
Override (Enter an Amount)						
Years before next override						
Avg. Single Family Tax Impact	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Additions	\$1,030,000					
Town Additions						
New Growth*	1,000,000					
State Aid	7.1%		5.0%	1.0%	1.0%	1.0%
ARPA	\$5,000,000	\$5,000,000				

OVERRIDE

Current Scenario		(\$2,636,221)			
June 2023 Override		Next Override			
Amount	Years	Date	Levy %	Tax Δ	
\$1,400,000	2	June-25	1.0%	\$102	
\$6,900,000	3	June-26	4.7%	\$503	
\$10,500,000	4	June-27	7.0%	\$766	
\$13,200,000	5	June-28	8.6%	\$963	
June 2024 Override					
Amount	Years	Date	Levy %	Tax Δ	
\$10,500,000	2	June-27	7.5%	\$766	
\$14,200,000	3	June-28	10.2%	\$1,036	
\$17,000,000	4	June-29	12.0%	\$1,226	
\$19,000,000	5	June-30	13.6%	\$1,387	

Balanced Scenario FY25 Deficit		\$0			
June 2023 Override					
Amount	Years	Date	Levy %	Tax Δ	
\$0	2				
\$5,500,000	3	June-27	3.8%	\$401	
\$9,000,000	4	June-28	6.1%	\$657	
\$11,700,000	5	June-29	7.7%	\$854	
June 2024 Override					
Amount	Years	Date	Levy %	Tax Δ	
\$8,300,000	2	June-26	5.9%	\$606	
\$12,100,000	3	June-27	8.7%	\$883	
\$14,800,000	4	June-28	10.6%	\$1,080	
\$17,100,000	5	June-29	12.2%	\$1,248	

ENTERPRISE FUNDS

- Water/Sewer
 - 3.89% increase
 - Use retained earnings to pay DPW building debt
- Recreation
 - 16.89% increase
- Rink
 - 6.77 % increase
- Transportation
 - 34.47% decrease
- AYCC
 - 11.3% increase

READING THE BUDGET PAGES - PERSONNEL

FY 2024 SALARY DETAIL			FY2024							FY2023	FY2024				
HUMAN RESOURCES	Previous	Job	FTE	BU	Grade	Step	Step	Min	Max	Budget Book	New Pay	Base	Step	Longevity	Total
MALLOY		DIRECTOR OF HUMAN RESOURCES	1.00	MGMT	2			102,907	148,705	128,998	136,210	134,210	2,000	6,811	143,021
ROBERTS		ASST DIRECTOR OF HUMAN RESOURCES	1.00	MTP	9	8	8	68,623	88,662	81,914	88,662	88,662	0	900	89,562
SHAW		BENEFITS ACCOUNTANT	0.80	OFNU	5	5	6	44,514	57,465	38,544	41,968	39,490	2,478	0	41,968
DISTASIO		BENEFITS ADMINISTRATOR	1.00	MTP	4	8	8	55,952	72,266	69,022	72,266	72,266	0	500	72,766
		APPROPRIATION TOTAL:								318,478	339,106	334,628	4,478	8,211	347,317
		Water/Sewer Offsets								(18,495)	(18,788)	(18,788)			(18,788)
		TAXATION TOTAL:	3.80							299,983	320,318	315,840	4,478	8,211	328,529

READING THE BUDGET PAGES - LINE ITEMS

	2021 Actual	2022 Actual	2023 Budget	2024 Budget	\$ Change	% Change
0115281 HUMAN RESOURCES SALARIES						
5100 SALARIES & WAGES	308,907	315,364	324,976	339,106	14,130	4.35%
5156 LONGEVITY	6,484	9,121	7,850	8,211	361	4.60%
0115281 HUMAN RESOURCES SALARIES	315,391	324,485	332,826	347,317	14,491	4.35%
0115282 HUMAN RESOURCES EXPENSES						
5209 IN-STATE TRAVEL	-	-	250	250	0	0.00%
5218 TRAINING	47,307	34,094	50,000	50,000	0	0.00%
5223 OFFICE SUPPLIES	1,205	1,633	2,500	2,500	0	0.00%
5236 OTHER PURCHASED SERVICES	2,155	1,759	3,700	3,700	0	0.00%
0115282 HUMAN RESOURCES EXPENSES	50,667	37,486	56,450	56,450	0	0.00%
HUMAN RESOURCES APPROPRIATION TO1	366,058	361,971	389,276	403,767	14,491	3.72%
OFFSETS	(17,532)	(18,495)	(18,495)	(18,788)	(293)	1.58%
HUMAN RESOURCES TAXATION TOTAL	348,526	343,476	370,781	384,979	14,198	3.83%